

THE WASTEPACK GROUP LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

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COMPANIES HOUSE

THE WASTEPAK GROUP LIMITED

COMPANY INFORMATION

DIRECTORS

B P Van Danzig
N S Parker
L A Cullis (appointed 21 May 2015)

REGISTERED NUMBER

03985811

REGISTERED OFFICE

Waterloo House, Unit 27
M11 Business Link
Parsonage Lane
Stansted
Essex
CM24 8GF

INDEPENDENT AUDITORS

Price Bailey LLP
Chartered Accountants & Statutory Auditors
Dashwood House
69 Old Broad Street
London
EC2M 1QS

BANKERS

Clydesdale Bank Plc
35 Regent Street
Piccadilly Circus
London
SW1Y 4ND

SOLICITORS

EMW LLP
Seebeck House
One Seebeck Place
Milton Keynes
MK5 8FR

THE WASTEPACK GROUP LIMITED

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THE WASTEPACK GROUP LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

BUSINESS REVIEW

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover, operating profit and return on capital employed.

The turnover for the group in 2014 was £5,084,000 (2013 - £13,065,000). The decrease in turnover can be attributed to the decrease in the market value of PRNs required to meet member's obligations and the relating decrease in the cost to members. There was also a regulatory change to the WEEE Regulations, introduced by the UK Government, effective from 1 January 2014. This change introduced a target based system and as a result opportunities to generate revenue from the amount of WEEE evidence collected by the group was significantly reduced.

The group made an operating loss of £810,000 (2013 - £556,000 profit).

The directors have reviewed the structure and strategy of the Group and are confident that they can continue to deliver good value compliance in an increasingly competitive market.

This report was approved by the board and signed on its behalf.



L A Cullis
Director

Date: 28/9/2015

THE WASTEPACK GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their report and the financial statements for the year ended 31 December 2014.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITIES

The principal activity of the company in the year continued to be that of a non trading holding company.

The principal activity of the group in the year continued to be that of registered Packaging Recovery Note and Waste Electrical and Electronical Equipment compliance schemes.

RESULTS AND DIVIDENDS

The profit for the year, after taxation and minority interests, amounted to £1,864 thousand (2013 - profit £43 thousand).

The directors do not propose payment of a dividend (2013 - £Nil).

DIRECTORS

The directors who served during the year were:

B P Van Danzig
N S Parker

THE WASTEPAK GROUP LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

DISCLOSURE OF INFORMATION TO AUDITORS


Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditors are aware of that information.

AUDITORS

Under section 487 of the Companies Act 2006, Price Bailey LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf.



L A Cullis
Director

Date: 28/9/2015

THE WASTEPACK GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE WASTEPACK GROUP LIMITED

We have audited the financial statements of The Wastepack Group Limited for the year ended 31 December 2014, set out on pages 6 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Group strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2014 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

THE WASTEPAK GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE WASTEPAK GROUP LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Howard Sears FCCA (Senior statutory auditor)
for and on behalf of

Price Bailey LLP

Chartered Accountants

Statutory Auditors

Dashwood House

69 Old Broad Street

London

EC2M 1QS

Date:

30/09/2015

THE WASTEPAK GROUP LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	2014 £000	2013 £000
TURNOVER	1	5,084	13,065
Cost of sales		(3,545)	(9,949)
GROSS PROFIT	2	1,539	3,116
Administrative expenses		(2,349)	(2,560)
OPERATING (LOSS)/PROFIT	2	(810)	556
EXCEPTIONAL ITEMS	6		
Other exceptional items	6	3,204	-
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		2,394	556
Interest payable and similar charges	5	(235)	(254)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,159	302
Tax on profit on ordinary activities	7	34	(251)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		2,193	51
Minority interests		(329)	(8)
PROFIT FOR THE FINANCIAL YEAR	17	1,864	43

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and Loss account.

The notes on pages 10 to 23 form part of these financial statements.

THE WASTEPAK GROUP LIMITED
REGISTERED NUMBER: 03985811

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2014

	Note	£000	2014 £000	2013 £000
FIXED ASSETS				
Intangible assets	8		3,962	4,634
Tangible assets	9		326	355
			<u>4,288</u>	<u>4,989</u>
CURRENT ASSETS				
Debtors	11	746	2,291	
Cash at bank		265	473	
		<u>1,011</u>	<u>2,764</u>	
CREDITORS: amounts falling due within one year	12	(1,946)	(6,422)	
NET CURRENT LIABILITIES			<u>(935)</u>	<u>(3,658)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,353</u>	<u>1,331</u>
CREDITORS: amounts falling due after more than one year	13		(9,227)	(9,396)
PROVISIONS FOR LIABILITIES				
Deferred tax	14	(4)	-	
Other provisions	15	(75)	(81)	
			<u>(79)</u>	<u>(81)</u>
NET LIABILITIES			<u>(5,953)</u>	<u>(8,146)</u>
CAPITAL AND RESERVES				
Called up share capital	16		12	12
Share premium account	17		757	757
Profit and loss account	17		(5,614)	(7,478)
SHAREHOLDERS' DEFICIT	18		<u>(4,845)</u>	<u>(6,709)</u>
MINORITY INTERESTS	19		<u>(1,108)</u>	<u>(1,437)</u>
			<u>(5,953)</u>	<u>(8,146)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



L A Cullis
Director

Date: 28/1/2015

The notes on pages 10 to 23 form part of these financial statements.

THE WASTEPAK GROUP LIMITED
REGISTERED NUMBER: 03985811

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2014

	Note	£000	2014 £000	2013 £000
FIXED ASSETS				
Investments	10		1,401	1,401
CURRENT ASSETS				
Debtors	11	557	557	
CREDITORS: amounts falling due within one year	12	(1,153)	(1,153)	
NET CURRENT LIABILITIES			(596)	(596)
TOTAL ASSETS LESS CURRENT LIABILITIES			805	805
CAPITAL AND RESERVES				
Called up share capital	16		12	12
Share premium account	17		757	757
Profit and loss account	17		36	36
SHAREHOLDERS' FUNDS	18		805	805

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



L A Cullis
Director

Date: 28/9/2015

The notes on pages 10 to 23 form part of these financial statements.

THE WASTEPAK GROUP LIMITED

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	2014 £000	2013 £000
Net cash flow from operating activities	20	398	2,013
Returns on investments and servicing of finance	21	(1)	(141)
Taxation		(324)	(52)
Capital expenditure and financial investment	21	(73)	18
CASH INFLOW BEFORE FINANCING		<u>-</u>	<u>1,838</u>
Financing	21	(208)	(1,470)
(DECREASE)/INCREASE IN CASH IN THE YEAR		<u>(208)</u>	<u>368</u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014 £000	2013 £000
(Decrease)/Increase in cash in the year	(208)	368
Cash outflow from decrease in debt and lease financing	<u>208</u>	<u>1,470</u>
MOVEMENT IN NET DEBT IN THE YEAR	<u>-</u>	<u>1,838</u>
Net debt at 1 January 2014	(8,923)	(10,761)
NET DEBT AT 31 DECEMBER 2014	<u>(8,923)</u>	<u>(8,923)</u>

The notes on pages 10 to 23 form part of these financial statements.

THE WASTEPAK GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The consolidated balance sheet is technically insolvent. However the holders of the loan notes in LC Bet Ltd have formally resolved that they will not redeem the loan notes or unpaid interest thereon, if such action would cause the group to be unable to continue as a going concern.

The directors have also prepared budgeted profit and loss, balance sheet and cash-flow forecasts for the group until 31 December 2016 and are confident that the group will continue to be able to meet its day-to-day cash flow requirements.

It is therefore appropriate to continue to prepare the consolidated financial statements on the going concern basis.

1.2 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of The Wastepack Group Limited and all of its subsidiary undertakings ('subsidiaries').

1.3 TURNOVER

Obligated companies are required to meet their recycling objective based on targets set for specific calendar years. Turnover therefore represents income due to the company in respect of meeting its customers obligations for the relevant calendar year, net of Value Added Tax.

1.4 INTANGIBLE FIXED ASSETS AND AMORTISATION

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life.

Amortisation is provided at the following rates:

Goodwill	-	5% straight line
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1.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property improvements-	over the period of the lease
Plant & machinery	- 25% reducing balance
Motor vehicles	- 25% reducing balance
Fixtures & fittings	- 25% reducing balance
Computer equipment	- 25% reducing balance

THE WASTEPACK GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES (continued)

1.6 INVESTMENTS

- (i) **Subsidiary undertakings**
Investments in subsidiaries are valued at cost less provision for impairment.
- (ii) **Other investments**
Investments held as fixed assets are shown at cost less provision for impairment.

1.7 LEASING AND HIRE PURCHASE

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.8 OPERATING LEASES

Rentals under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.9 DEFERRED TAXATION

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.10 PENSIONS

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the year.

THE WASTEPAK GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

2. OPERATING (LOSS)/PROFIT

The operating (loss)/profit is stated after charging:

	2014 £000	2013 £000
Amortisation of goodwill	672	672
Depreciation of tangible fixed assets:		
- owned by the group	87	127
- held under finance leases	5	-
Auditors' remuneration	52	52
	<u> </u>	<u> </u>

3. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2014 £000	2013 £000
Wages and salaries	730	821
Social security costs	109	129
Other pension costs	43	45
	<u> </u>	<u> </u>
	<u>882</u>	<u>995</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2014 No.	2013 No.
Office and management	<u>15</u>	<u>20</u>

4. DIRECTORS' REMUNERATION

	2014 £000	2013 £000
Remuneration	<u>24</u>	<u>134</u>

During the year retirement benefits were accruing to no directors (2013 - 1) in respect of defined contribution pension schemes.

THE WASTEPAK GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

5. INTEREST PAYABLE

	2014 £000	2013 £000
On investor loan notes	232	253
On finance leases and hire purchase contracts	1	-
Other interest payable	2	1
	<u>235</u>	<u>254</u>

6. EXCEPTIONAL ITEMS

	2014 £000	2013 £000
Write-off loan interest	(3,204)	-

The above relates to interest written off by B P Van Danzig in the year.

7. TAXATION

	2014 £000	2013 £000
ANALYSIS OF TAX (CREDIT)/CHARGE IN THE YEAR		
CURRENT TAX (see note below)		
UK corporation tax (credit)/charge on profit for the year	(43)	263
DEFERRED TAX (see note 14)		
Origination and reversal of timing differences	9	(12)
TAX ON PROFIT ON ORDINARY ACTIVITIES	<u>(34)</u>	<u>251</u>

THE WASTEPAK GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

7. TAXATION (continued)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is lower than (2013 - lower than) the standard rate of corporation tax in the UK of 21% (2013 - 23%). The differences are explained below:

	2014 £000	2013 £000
Profit on ordinary activities before tax	2,159	302
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2013 - 23%)	453	69
EFFECTS OF:		
Non-tax deductible amortisation of goodwill and impairment	141	155
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	27
Capital allowances for year in excess of depreciation	(12)	13
Non-taxable income less expenses not deductible for tax purposes, other than goodwill and impairment	(620)	-
Effect of difference on tax rates	(5)	2
Marginal relief	-	(3)
CURRENT TAX (CREDIT)/CHARGE FOR THE YEAR (see note above)	(43)	263

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

The group has estimated losses of £1,209,882 (2013 - £1,209,882) available to carry forward against future trading profits. The deferred tax asset on these losses, at a tax rate of 20% (2013 - 23%), is estimated at £241,976 (2013- £278,272). No deferred tax asset has been recognised in these financial statements due to the uncertainty of the timing of the reversal of the losses.

8. INTANGIBLE FIXED ASSETS

	Development £000	Goodwill £000	Total £000
GROUP COST			
At 1 January 2014 and 31 December 2014	241	13,436	13,677
AMORTISATION			
At 1 January 2014	241	8,802	9,043
Charge for the year	-	672	672
At 31 December 2014	241	9,474	9,715
NET BOOK VALUE			
At 31 December 2014	-	3,962	3,962
At 31 December 2013	-	4,634	4,634

THE WASTEPAK GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

9. TANGIBLE FIXED ASSETS

GROUP	Leasehold Property Improve'nts £000	Plant & machinery £000	Motor vehicles £000	Fixtures & fittings £000	Computer equipment £000	Total £000
COST						
At 1 January 2014	65	12	204	332	1,020	1,633
Additions	-	-	75	-	25	100
Disposals	-	-	(80)	-	-	(80)
At 31 December 2014	65	12	199	332	1,045	1,653
DEPRECIATION						
At 1 January 2014	65	3	93	304	813	1,278
Charge for the year	-	2	30	7	53	92
On disposals	-	-	(43)	-	-	(43)
At 31 December 2014	65	5	80	311	866	1,327
NET BOOK VALUE						
At 31 December 2014	-	7	119	21	179	326
At 31 December 2013	-	9	111	28	207	355

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

GROUP	2014 £000	2013 £000
Motor vehicles	70	-

THE WASTEPAK GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

10. FIXED ASSET INVESTMENTS SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the company:

Name	Holding
LC Bet Limited	85 %

The aggregate of the share capital and reserves as at 31 December 2014 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £000	Profit/(loss) £000
LC Bet Limited	(3,266)	3,571

	Investments in subsidiary companies £000	Other fixed asset investments £000	Total £000
COMPANY			
COST OR VALUATION			
At 1 January 2014 and 31 December 2014	1	1,400	1,401
NET BOOK VALUE			
At 31 December 2014	1	1,400	1,401
At 31 December 2013	1	1,400	1,401

Other fixed asset investments

The net book value of £1,400,000 (2013 - £1,400,000) represents the remaining cost of loan note interest due from L C Bet Ltd.

11. DEBTORS

	GROUP		COMPANY	
	2014 £000	2013 £000	2014 £000	2013 £000
Trade debtors	284	424	-	-
Amounts owed by group undertakings	-	-	557	557
Other debtors	110	147	-	-
Prepayments and accrued income	352	1,715	-	-
Deferred tax asset (see note 14)	-	5	-	-
	746	2,291	557	557

THE WASTEPAK GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

**12. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	GROUP		COMPANY	
	2014	2013	2014	2013
	£000	£000	£000	£000
Investor loan notes	240	-	-	-
Net obligations under finance leases and hire purchase contracts	16	-	-	-
Trade creditors	733	1,482	-	-
Amounts owed to group undertakings	-	-	1,153	1,153
Corporation tax	197	516	-	-
Other taxation and social security	66	143	-	-
Other creditors	9	3,275	-	-
Accruals and deferred income	685	1,006	-	-
	<u>1,946</u>	<u>6,422</u>	<u>1,153</u>	<u>1,153</u>

Hire purchase contracts are secured over the assets to which they relate.

**13. CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	GROUP		COMPANY	
	2014	2013	2014	2013
	£000	£000	£000	£000
Investor loan notes	8,904	9,396	-	-
Net obligations under finance leases and hire purchase contracts	28	-	-	-
Accrued investor loan note interest	295	-	-	-
	<u>9,227</u>	<u>9,396</u>	<u>-</u>	<u>-</u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	GROUP		COMPANY	
	2014	2013	2014	2013
	£000	£000	£000	£000
Between one and five years	28	-	-	-

Hire purchase contracts are secured over the assets to which they relate.

THE WASTEPACK GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

14. DEFERRED TAXATION

	GROUP		COMPANY	
	2014 £000	2013 £000	2014 £000	2013 £000
At beginning of year	5	(7)	-	-
Charge for the year	(9)	12	-	-
At end of year	(4)	5	-	-

The deferred taxation balance is made up as follows:

	GROUP		COMPANY	
	2014 £000	2013 £000	2014 £000	2013 £000
Accelerated capital allowances	(4)	5	-	-

15. PROVISIONS

GROUP	Direct Recycling provision £000
At 1 January 2014	81
Utilised	(6)
At 31 December 2014	75

WASTEPACK COMPLIANCE SCHEME DIRECT RECYCLING PROVISION BALANCE OF FUNDS

Provisions represent commitments to external recycling initiatives of the group.

The Company has no provisions

THE WASTEPACK GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

16. SHARE CAPITAL

	2014 £	2013 £
ALLOTTED, CALLED UP AND FULLY PAID		
970,127 (2013 - 894,867) Ordinary A shares of £0.01 each	9,701	8,949
44,450 (2013 - 95,779) Ordinary B shares of £0.01 each	445	958
8,000 Deferred shares of £0.01 each	80	80
25,665 (2013 - 35,931) Ordinary C shares of £0.01 each	257	359
117,042 (2013 - 130,707) Ordinary D shares of £0.01 each	1,170	1,307
	<u>11,653</u>	<u>11,653</u>

The movement between share classes represents a reclassification of 51,329 Ordinary B shares, 10,266 Ordinary C shares and 13,665 Ordinary D Shares into 75,260 Ordinary A Shares in line with the shareholders agreement.

Employee Share Option Plan

The Wastepack Group Employees Share Ownership Trust currently holds 10,266 ordinary C shares and 74,788 ordinary D shares, in the company, with a combined nominal value of £851. The current market value is not deemed to be materially different from the carrying value. The cost of funding and administering the plan are charged to the profit and loss account in the year in which they are incurred.

17. RESERVES

	Share premium account £000	Profit and loss account £000
GROUP		
At 1 January 2014	757	(7,478)
Profit for the year		1,864
	<u>757</u>	<u>(5,614)</u>
At 31 December 2014		
	<u>757</u>	<u>(5,614)</u>
COMPANY		
At 1 January 2014 and 31 December 2014	757	36
	<u>757</u>	<u>36</u>

THE WASTEPAK GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

18. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT

	2014 £000	2013 £000
GROUP		
Opening shareholders' deficit	(6,709)	(6,752)
Profit for the financial year	1,864	43
	<u>(4,845)</u>	<u>(6,709)</u>
Closing shareholders' deficit		

	2014 £000	2013 £000
COMPANY		
Shareholders' funds at 1 January 2014 and 31 December 2014	<u>805</u>	<u>805</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account.

The profit for the year dealt with in the accounts of the company was £NIL (2013 - £NIL).

19. MINORITY INTERESTS

	£000
EQUITY	
At 1 January 2014	(1,437)
Proportion of profit after taxation for the year	329
	<u>(1,108)</u>
At 31 December 2014	

20. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £000	2013 £000
Operating (loss)/profit	(810)	556
Amortisation of intangible fixed assets	672	672
Depreciation of tangible fixed assets	92	127
Loss/(profit) on disposal of tangible fixed assets	9	(4)
(Increase)/decrease in debtors	(407)	1,055
Increase/(decrease) in creditors	848	(382)
Decrease in provisions	(6)	(11)
	<u>398</u>	<u>2,013</u>
NET CASH INFLOW FROM OPERATING ACTIVITIES		

THE WASTEPAK GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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21. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2014 £000	2013 £000
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest paid	-	(141)
Hire purchase interest	(1)	-
	<u>(1)</u>	<u>(141)</u>
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	<u>(1)</u>	<u>(141)</u>
	2014 £000	2013 £000
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(100)	(58)
Sale of tangible fixed assets	27	76
	<u>(73)</u>	<u>18</u>
NET CASH (OUTFLOW)/INFLOW FROM CAPITAL EXPENDITURE	<u>(73)</u>	<u>18</u>
	2014 £000	2013 £000
FINANCING		
Repayment of other loans	(252)	(1,470)
New finance leases	44	-
	<u>(208)</u>	<u>(1,470)</u>
NET CASH OUTFLOW FROM FINANCING	<u>(208)</u>	<u>(1,470)</u>

22. ANALYSIS OF CHANGES IN NET DEBT

	1 January 2014 £000	Cash flow £000	Other non-cash changes £000	31 December 2014 £000
Cash at bank and in hand	473	(208)	-	265
DEBT:				
Debts due within one year	-	208	(464)	(256)
Debts falling due after more than one year	(9,396)	-	464	(8,932)
NET DEBT	<u>(8,923)</u>	<u>-</u>	<u>-</u>	<u>(8,923)</u>

THE WASTEPAK GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

23. CONTINGENT LIABILITIES

The company provides cross guarantees in respect of bank overdrafts available to other group companies. At the balance sheet date the gross overdraft balances in respect of other group companies were £107 (2013 - £23). The group is considered to have sufficient assets to service these debts.

The company is part of a VAT group with other group companies. At the balance sheet date the gross liability in respect of other group companies were £Nil (2013 - 109,040).

24. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £43,080 (2013 - £44,844). Contributions totaling £nil (2013 - £nil) were payable to the fund at the balance sheet date and are included in creditors.

25. OPERATING LEASE COMMITMENTS

At 31 December 2014 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2014	2013	2014	2013
GROUP	£000	£000	£000	£000
EXPIRY DATE:				
Within 1 year	-	-	-	6

26. DIRECTOR'S BENEFITS: ADVANCES, CREDIT AND GUARENTEES

During the year B P Van Danzig, a director, was granted further group loans of £Nil (2013: £116,998). The maximum outstanding during the year was £Nil (2013: £782,689). No interest was charged and the full amount was repaid on 27 June 2013. At the year end the balance outstanding was £Nil (2013 - £Nil).

27. RELATED PARTY TRANSACTIONS

At the year end the Investor Loan Notes (notes 11 and 12) were due to B P Van Danzig £3,498,053 (2013 - £3,750,060), and The Pishiobury Limited Funded Unapproved Retirement Benefit Scheme £5,645,680 (2013 - £5,644,680). Movements in the year were in respect of loan note capital repayments.

During the year B P Van Danzig waived the interest due to him totalling £3,204,187 through resolution. This has been written off in the financial statements in the current year.

At the year end the group owed loan note interest (note 12) to B P Van Danzig £Nil (2013 - £3,113,213) and The Pishiobury Limited Funded Unapproved Retirement Benefit Scheme £295,594 (2013 - £154,468). Movements in the year were in respect of loan note interest accrued and paid.

During the year the group made charitable donations totalling £Nil (2013 - £536) to Project Hougoumont Limited, a charity under the control of B P Van Danzig. No amounts were outstanding at the year end.

During the prior year the group sold a motor vehicle to B P Van Danzig for £48,480. No amounts were outstanding at the year end.

THE WASTEPACK GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

28. CONTROLLING PARTY

The group was under the control of B P Van Danzig.

29. PRINCIPAL SUBSIDIARIES

Company name	Country	Percentage Shareholding	Description
LC Bet Limited	United Kingdom	85	Non trading holding company
Wastepack Limited	United Kingdom	100	Packaging material compliance scheme and recyclate broker
Electrolink Recycling Limited	United Kingdom	100	Waste electrical and electronic equipment compliance scheme
Nilwaste Compliance Limited	United Kingdom	100	Waste electrical and electronic equipment compliance scheme
Recycle Wales Limited	United Kingdom	100	Packaging material compliance scheme and recyclate broker
Onepack Recycling Limited	United Kingdom	100	Packaging material compliance scheme and recyclate broker